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Tom Vujovich - Chair called the meeting to order. The following members were in attendance: Matt Souza, Jim Lienhoop

Staff - Ed Curtin.

Guests – Dave Hayward, Bruce Donaldson, Jim Clouse, Terry Coriden, Tom Heller, Mayor, Maggie McCall, & Adrienne Banister

Minutes

Approval of the minutes February 18, March 3 and April 14, 2008 – previously distributed.

Motion by Lienhoop for approval, 2nd Souza - APPROVED

Tax Abatement LHP Technologies

Jim Couse – Community Development received application for tax abatement from LHP Technologies, LLP. Like to place on council agenda for upcoming meeting. The 1st tax abatement is real property, seeking abatement on the building, Woodside Northwest, a new facility estimated at \$2.5 million in real property improvements.

Tom – This is in the new development recently created? – YES. Coming back at a later point with an abatement request on the personal property? – YES. History has been to approve of the request, passing them on to the City Council for final decision.

Motion by Souza to approve request, second by Lienhoop – APPROVED

Resolution for Cummins TIF District

Bruce Donaldson - Resolution relates to bond financing that city committed to in connection with Cummins project a year ago. At that time the estimate was 458 new jobs, \$16.3 million payroll, etc. This is an implementation of one of the commitments that the city made as part of the incentive package to attract the project, issuance of bonds payable from the tax increment that will be generated from this expansion project. The Economic Development Commission and the Redevelopment Commission have to approve. The Economic Development Commission has adopted an inducement resolution preliminarily approving, public hearing is Wednesday. The Council also approved the final bond ordinance on the first reading and after the EDC has its hearing, the Council will be taking up the final approval. The resolution before the Redevelopment Commission is simply a pledge resolution saying the City is going to issue these bonds; the Redevelopment Commission is pledging the tax increment from this site to the repaying of the bonds. To the extent that the tax increment might be insufficient to pay the bonds, Cummins is obligated for the difference, both by virtue of guaranteeing the debt service and they are going to purchase the bonds themselves. This is no liability of the city. There are no general taxes or revenues of the city pledged to this, it is a limited recourse obligation solely against the TIF from the site. This body last year amended the central area TIF to excise this piece out and create its own separate standalone TIF allocation area for this purpose.

Jim Lienhoop—Cummins will buy the bonds?

Bruce Donaldson – Instead of the bonds being sold out to either an underwriter in the marketplace or a bank, Cummins is going to fund it themselves through their own resources. What the bonding does is allow them to capture these future property tax revenues to repay the bond.

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Jim Lienhoop- Is the amount of money they are expending to buy the equipment far exceeds the bonds? - YES. This \$13.5 million bond is the money they will end up being taxed on, ends up coming around full circle and they get it back? - YES

Tom Vujovich—For the commission there is no up side, no down side to this? To the extent they may have 600 employees in the facility, has no bearing on the Commission and to the extent that they may not have sufficient revenue to pay for the bond, that is not a concern of the commission either? - YES. The term of the agreement is between the Commission and Cummins on this TIF?

Bruce Donaldson – It is a 20 year repayment term but starting in 2010 or 2011 because the TIF will not start coming on line until then through the combination of delays in construction, assessment, collection and they are also getting tax abatements.

Tom Vujovich– At the conclusion of that term TIF just goes away?

Bruce – TIF goes away, the assessed value is returned to the city, schools and other taxing units and is additional tax base. When the bonds are paid off, unless the Commission had another use for that tax increment beyond the term of the bonds that directly related to this particular allocation area, then you would be required to release that assessed value back to the taxing units.

Tom Vujovich – For the revenue to come back to the Commission we would have to bring it back within the TIF and the allocation area? - YES. If we do not take any action to do that it gets returned to the taxing units? - YES Timing wise, is there anything more required of the Commission after this resolution?

Bruce Donaldson – No, this will be the last action of the Redevelopment Commission and the EDC and Council meet on Wednesday and those will be the final formal approvals, public bodies that would be needed to close.

Terry Coriden – The only pledge that is made is that we will pay that money which is collected from Cummins, that Cummins pays, that then goes to us, then goes to pay out the bonds, that is our only obligation. If Cummins does not pay their taxes then we do not pay money that we did not get.

Tom Vujovich - If for some reason the taxes are not sufficient to pay the bond we do not have to pay the bond out of other resources?

Terry Coriden – Correct, the only pledge is taxes against this equipment in this TIF area.

Motion by Souza to approve resolution as submitted, second by Lienhoop – APPROVED

First Financial Building

Ed Curtin– Talked with planning about the zoning requirements for this project. This property is the site of the old Imperial 400, bound by 2nd and 3rd Streets, Brown and Lindsey. First Financial has a purchase agreement with Cummins to buy the property. One of the stipulations of that agreement is that they get approval from the Redevelopment Commission for their building so it complies with our strategic downtown plan. First Financial would like to close on the property by the end of May. They ask that we give them preliminary approval of their project prior to that. Examples provided of a building that is a prototype for them. I do not know that there are any particular issues with the building, in terms of our strategic plan and the new zoning ordinance, one of the things that would be required on this site is that the building would have a zero lot line, the base of the building, a zero lot line on 3rd Street and zero lot line on Brown Street with the entrance drives and parking to the rear of that. Anticipating the facility to have a drive-up element of the building, requiring conditional use by the BZA, if it complies with other things we are looking for we would not see an issue with that. I would recommend that First Financial

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review all final building plans, sign plans, elevations and site plans with the Redevelopment Commission and receive their approval prior to applying for a zoning compliance certificate which they require to get their building permit – specifying requirements stated above. Recommendation is to see a pedestrian entrance on the street frontage of Brown and 3rd Street.

Tom Vujovich– With the design submitted, assuming all other conditions were met, do you feel that the design works?

Ed Curtin – Without seeing the building plan, I do not know that I can adequately answer that question. I do not know that I see issues with the building itself as shown to us. Discussion of information/drawings provided to Redevelopment Commission in advance.

Tom Vujovich – The thing that makes it more urban, which is what we are striving for?

Ed Curtin – If you look at the buildings on Washington and some of the side streets, all those buildings are right on the property line/right-of-way line. That is what helps create that downtown urban feel. The other piece is that almost all the pedestrian entry points into those buildings are off of that street frontage. We want to reinforce that with this particular facility, there is a lot of visibility there, approximately 1.2 million cars that drive on 3rd Street every year. We want to reinforce the downtown feel until people are crossing the bridge to get out of town.

Tom Vujovich – If it were a one-story frontage, would that be a concern?

Ed Curtin – It would seem a bit small but in talking with Steve, I understood that they were going to have a second floor with some offices and may actually lease part of that out until they can expand into those facilities. I think that they are looking at a two story facility for part of it.

Tom Vujovich – The elevation, A201, which shows the structure on the right hand side with 25 foot height may be more of what we are seeing on the Brown and 3rd Street corner? YES. Assuming the Commission adopts your recommendations, First Financial then would begin working on their plans and bring those back to the Commission before they go to Planning to get their zoning compliance and we have one more look at it? YES. Does Cummins ultimately have the final okay?

Ed Curtin – I believe the Redevelopment Commission has the final okay on that. I would like to at least run it by Cummins for their review for our consideration.

Tom Vujovich – No further comments received. We agree with your recommendations and look forward to further information.

Appraisals

Ed Curtin – We have several projects coming on-line here shortly. In anticipation of how we would deal with those projects, one of the steps we are required by State is to get appraisals of those properties so that we can then actually advertise for entering into a master lease for that property and we have to have the appraisals in place, be able to do the advertising and go through that process. What I would ask is that you provide authorization to allow me to get appraisals done for – The Commons, the 2nd parking garage, the indoor sports, the outdoor sports, and the retail areas that we anticipate having come on line within the next year or so, so we position ourselves such that as those projects are ready to move forward we are not adding additional time to it, we are ready to move forward with the advertising and shorten the timeframe that we spend on the project to get it to a point where we can enter into a master lease.

Motion made by Jim Lienhoop and seconded by Matt Souza to approve authorization to pursue appraisals on properties listed above. – APPROVED

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Soil boring consultant

Ed Curtin – In anticipation of work that is going to be coming up, to move forward on the 2nd parking garage, we need to have soil borings to tell us the needs in terms of foundations for that structure. I have two proposals, one from ATC and one from Patriot. They are comparable. Patriot is doing a bit of work in the downtown area right now. They are working with us on the 1st garage. They did testing on the Cummins office building and Candlewood and probably would be The Commons as well. The prices are comparable – ATC is slightly less at \$5,745 and Patriot is at \$6,000. With Patriot having the amount of experience it does right across the street, I would recommend using Patriot even though they are higher, already familiar with the downtown area. I have been very happy with their work.

Tom Vujovich – Recommendation from Ed is to accept the proposal from Patriot. The payment for this comes out of Redevelopment Commission funds?

Ed Curtin – Initially but it is something we could possibly get reimbursed for on the construction of the project because it is really specifically related to the 2nd garage and once we get the financing in place that could be reimbursed at that point.

Motion made Souza and seconded by Lienhoop to approve Patriots proposal, Ed making notation that these funds may be reimbursed after financing approval. – APPROVED

Approval of Claims

Ed Curtin – 3 dockets of claims (details present in packet to committee).

Tom Vujovich – Where are with Wilhelm?

Ed Curtin – Two payments left, end of May and whatever we are holding back until the items are complete.

Tom Vujovich – Kimberly Graf?

Ed Curtin – Rhino property, extension for the purchase agreement.

Matt - Are all the claims submitted as expected and for the amounts we expected?

Ed Curtin - Yes

Motion by Souza to approve as submitted, second by Lienhoop - APPROVED.

Presentation by Maggie McCall, Adrian Bannister, Kelsey

Ed Curtin – October 2006 the Youth Mobilizers met for the first time and discussed areas and strategies to facilitate Teens of Bartholomew County in the upcoming year. Their mission was to increase youth involvement in the community and have the youth voice heard. These young ladies made this presentation to the Board of Works and are here today to present this to the Redevelopment Commission.

Maggie McCall, & Adrienne Banister Verbal and pictorial presentation regarding Youth Mobilizers.

Director's Report

Ed Curtin – Information shared in packet. Discussion regarding referendum process and Bill 1001 impact on projects.

Tom Vujovich – No further discussion – meeting adjourned at 2:23pm. Executive session immediately following.

Next meeting June 2, 2008